

# **Exhibit 63**

PRIVILEGED AND CONFIDENTIAL; PREPARED AT THE REQUEST OF COUNSEL; SUBJECT TO FRE 408

## Value under Article X, Section 10.9

(\$ in Millions)

Tracker as of February 10, 2019

**Borrowing Base Start Date for Roll-Forward**

**2/2/2019**

### Inventory as of 2/10/19

	Beginning	Receipts	COGS	Ending
Total Stock Ledger Inventory as of February 2, 2019				\$1,637
Total Inventory Receipts and COGS on February 3, 2019	1,637	4	(10)	1,631
Total Inventory Receipts and COGS on February 4, 2019	1,631	7	(8)	1,630
Total Inventory Receipts and COGS on February 5, 2019	1,630	7	(8)	1,628
Total Inventory Receipts and COGS on February 6, 2019	1,628	7	(8)	1,628
Total Inventory Receipts and COGS on February 7, 2019	1,628	11	(8)	1,631
Total Inventory Receipts and COGS on February 8, 2019	1,631	5	(9)	1,627
Total Inventory Receipts and COGS on February 9, 2019	1,627	0	(13)	1,615
Total Inventory Receipts and COGS on February 10, 2019	1,615	4	(9)	<b>\$1,609</b>
Less: Remaining GOB Inventory:				(\$62)
Plus: Amazon Inventory				9
Adj. Total Stock Ledger Inventory as of February 10, 2019:				<b>\$1,557</b>

### Est. Credit Card Receivables as of 2/10/19

	Ending
First Data Receivables	\$101
Amex Receivables	9
Discover Receivables	4
Citi Receivables	1
Adjustment for Unposted Transactions	(55)
<b>Total Credit Card Receivables</b>	<b>\$60</b>

### Pharmacy Receivables as of 2/8/19

Pharmacy Receivables	\$11
Pharmacy Scripts	37
<b>Total Pharmacy Receivables</b>	<b>\$47</b>

### Summary - Total Value under Article X

<b>Deliverable Value under Article X, Section 10.9</b>	<b>\$1,664</b>
<b>Closing Threshold</b>	<b>\$1,657</b>
<i>Cushion / (Gap)</i>	7

***1L Debt***

	<u>Amount</u>	<u>% of Total</u>
Wells LC	\$29,293,212	3%
BAML LC	88,296,093	10%
Revolver	219,048,719	26%
TL	513,118,726	60%
Total	849,756,751	100%
<hr/>		
FILO	125,000,000	100%
Total	\$125,000,000	100%

***2L Debt***

	<b><u>Total O/S + Accrued</u></b>	<b><u>% of Total</u></b>
Term Loan	\$332,627,555.30	30%
Line of Credit	527,954,692	48%
Alternative (OZ)	46,803,791	4%
6 5/8th PIK Notes	184,965,819	17%
Total	\$1,092,351,857.26	100%

Sears Holdings Corporation			Date:	10/18/2018
Borrowing Base Certificate				
As of October 13, 2018				
(millions)				
	Sears	Kmart	Consolidated	
Inventory per Stock Ledger				2,576.2
Home Services	\$ 114.6		\$	114.6
Total Stock Ledger Inventory			\$	2,690.8
Less Ineligible Inventory:				
Consigned Inventory	\$ -	\$ 2.2	\$	2.2
Inventory in Foreign Location	\$ -	\$ -	\$	-
Store Closure Sale inventory in excess of four weeks	\$ 11.9	\$ 6.9	\$	18.9
Inventory paid for in advance of shipment	\$ 82.2	\$ 1.4	\$	83.7
Live plants, nursery, floral	\$ -	\$ 1.3	\$	1.3
Seafood	\$ -	\$ -	\$	-
Restaurant	\$ -	\$ 0.3	\$	0.3
Readers Market	\$ -	\$ 1.6	\$	1.6
Wholesaler Frt/Fees	\$ -	\$ -	\$	-
Gasoline	\$ -	\$ -	\$	-
50% Home Services	\$ 57.3	\$ -	\$	57.3
Other	\$ -	\$ -	\$	-
Eligible Inventory before Reserves			\$	2,525.6
Less Inventory Reserves:				
Shrink	\$ -	\$ -	\$	-
In-Transit Reserve	\$ 103.3	\$ 41.2	\$	144.6
Total Imported In-Transit Inventory	\$ 103.3	\$ 41.2	\$	144.6
% Relating to SRAC L/C's	7.4%	7.4%		
SRAC L/C's	\$ 7.7	\$ 3.1	\$	10.7
Add: SRAC L/C's (net of 2.73% reserve)	\$ 7.5	\$ 3.0	\$	10.4
Net Eligible Inventory			\$	2,391.5
NOLV				88.70%
Advance Rate (Lesser of 70% or 80% of NOLV)				70.00%
Inventory Availability			\$	1,674.0
Eligible Credit Card Receivables	\$ 41.1	\$ 13.7	\$	54.8
Advance Rate				85%
Credit Card Availability			\$	46.5
Pharmacy Accounts Receivable	\$ -	\$ 14.5	\$	14.5
Less Ineligibles:				
Outstanding for more than 90 days past invoice date or 60 days past due		\$ 2.5	\$	2.5
Cross-Age		\$ 1.0	\$	1.0
Disputed Pharmacy Receivables			\$	-
Medicare, Medicaid, or other Governmental Authorities		\$ 0.5	\$	0.5
Pharmacy Receivables due from outside United States			\$	-
Other			\$	-
Net Eligible Pharmacy Accounts Receivable				10.5
Advance Rate				85%
Third Party Pharmacy Accounts Receivable Availability				8.9
Availability Reserves				
Gift Card Liability (50%)	\$ 16.7	\$ 2.8	\$	19.5
2 Months Store Rent Reserve (Landlord Lien States WA, VA, PA)	\$ 2.1	\$ 3.5	\$	5.7
Unshipped Customer Deposits (15%)	\$ 15.0	\$ 0.2	\$	15.3
DC Rent Reserve (2 months)	\$ 1.4	\$ 1.9	\$	3.3
PACA/PASA	\$ -	\$ 0.0	\$	0.0
Credit Card Receivables owed to PR	\$ 0.1	\$ 0.0	\$	0.1
SHIP Customer Deposits	\$ 15.0	\$ -	\$	15.0
Installation Customer Deposits	\$ 1.6	\$ -	\$	1.6
Reserve for FILO	\$ -	\$ -	\$	-
Borrowing Base			\$	1,669.1

(1) Includes inventory in trailers on premises at DCs.

(2) Adjusted for Decon to DC Inventory (net of reserves)

**Preliminary 507(b) Calculation**

(\$ in Millions)

	Historical NOLV
<b><u>10/13/15 Borrowing Base (Filed 10/18/18)</u></b>	
Net Eligible Inventory	\$2,392
NOLV	92%
Liquidation Value of Net Eligible Inventory	<u>\$2,200</u>
Plus: CC Receivables	\$55
Plus: Pharmacy Receivables	11
Less: Ineligible Inventory & Reserves	(107)
<b>Net Collateral Value</b>	<b><u>\$2,159</u></b>
<b><u>September 30 2018 - Monthly Ending Cap Table</u></b>	
ABL Revolving Credit Facility <sup>1</sup>	(\$836)
ABL Term Loan B	(571)
ABL Normal Course LC	(121)
FILO	(125)
Citi LC <sup>2</sup>	(176)
<b>Total 1L</b>	<b><u>(\$1,828)</u></b>
<b><u>507(b) Calculation</u></b>	
Implied 2L Recovery	\$331
Less: 2L Recovery (Wind Down)	0
<b>Est. 2L 507(b) Claim</b>	<b><u>\$331</u></b>

(1) Revolver amount outstanding as of 10/15/18

(2) Preliminary estimate of liability: \$271mm of written LCs  
reduced by \$75mm of workers' comp and \$20mm customs bond

(3) From Company estimate provided with estimated expenses